

vol.1, no.2

**The Elderly in the
Calgary Region**

PROSPECT

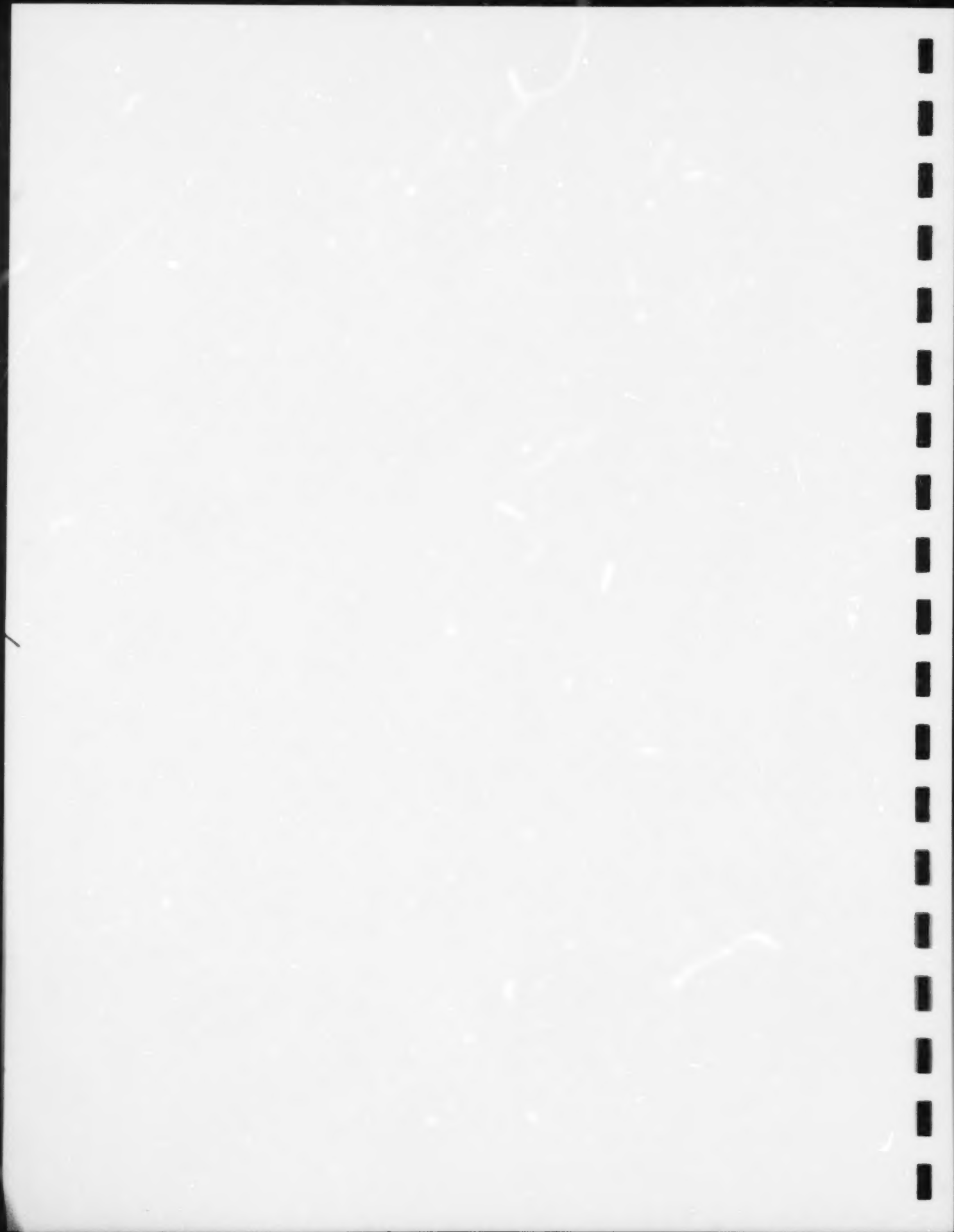
The Elderly in the Calgary Region

prepared by the
Calgary Regional Planning Commission
December 1991

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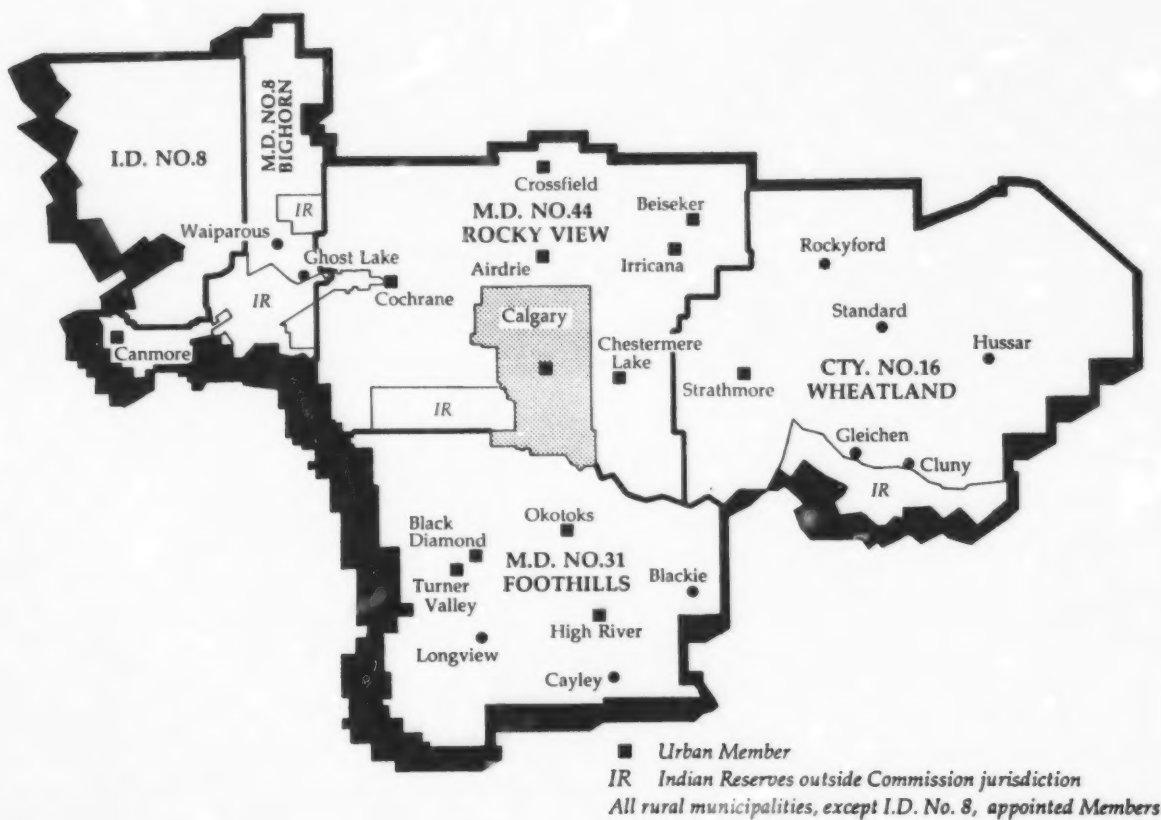
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An Introduction

This report in the Prospect series focuses on the elderly segment of the population of the Calgary Region (map on following page). Not unlike most other regions in Canada, this segment of the population will be the fastest-growing age group in the region. This trend is also receiving a great deal of media attention: there were no fewer than 119 news items dealing with retirement in the Calgary Herald for the month of June 1991. In addition, there is a proliferation of life-style options for the elderly of today compared to the elderly of yesterday. A combination of these two forces is bound to influence land-use planning in areas such as recreation and housing in the Calgary region.

CALGARY REGIONAL PLANNING COMMISSION



Executive Summary

The major findings of this report are as follows:

- The generally accepted definition of elderly age groups needs to be adjusted downwards to include the 55-64 year age group.
- Almost half the 55-64 year age group in Alberta are no longer in the labour force; this could rise to a majority in future.
- Out-migration to British Columbia retirement areas is not as high as is commonly believed; Alberta in-migration of the 55-plus age group is also considerably higher than would be expected.
- The rate of growth in the number of persons aged 55 or over since 1981 is almost double that of overall population increases.
- For every 11 persons aged 55 or over in the Calgary region in 1991, there will be 16 in this category in 2001, soaring to 24 by the year 2011.
- While some observers feel the "greying" of the population is over-rated and is a full 20 years away, the first wave of "baby boomers" (1946-1961 birth years) opting for early retirement and its attendant life-style characteristics will in fact occur within ten years.
- Life-styles of senior age groups are changing, and, in coming years, will not resemble those of prior generations.
- Demand for additional empty-nester residential development in the Calgary region could triple within ten years, with increasing allocations going to the areas surrounding Calgary.
- MLS average resale price increases in excess of \$100,000 per home since 1971 have considerably boosted the equity positions of the elderly.
- Most elderly prefer to remain in their own homes, but among those that move, the main reason is that their present accommodation is too large.
- Municipalities may need to reconsider their by-laws to accommodate the host of housing options that may be demanded by their elderly ratepayers.

- While relative demand for socially assisted housing for seniors can be expected to decline in future, conditions are favourable to promote home-sharing among seniors.
- The number of elderly singles living alone in ownership units in the Calgary region could reach 45,000 by the year 2011.

Below are highlights of changing elderly life-styles in the Calgary region.

PROFILE OF THE CHANGING ELDERLY, SELECTED CHARACTERISTICS A SYNOPSIS			
Variable	1971	1991	2011
Recreation	T.V.	Golf	Golf
Home Ownership Propensities (%)			
55-64	71.6	77.5	82.5
65+	63.8	64.6	69.6
% in Labour Force			
55-64	61.7	56.4	53.0
65+	16.9	11.7	10.0
Female to Male Ratio Difference:	6.94	6.70	5.80
Male Life Expectancy	70.44	74.40	77.20
Female Life Expectancy	77.38	81.10	83.00

An Expanded Definition of Elderly

Most definitions of "elderly" encompass those people aged 65 or over, the age at which most transfer payment programmes by senior governments normally begin. Widespread trends of early retirement mean that a good portion of persons in the 55-64 year age group would no longer fit the mold and life-style characteristics of the working-age population; they are therefore included in the definition of elderly, for the purpose of this report¹.

The participation rate in the labour force in Alberta for the 55-64 age group has fallen sharply, from 60% in 1986 to 56.4% in 1991². Therefore, almost half (43.6%) are no longer in the labour force. Recent Canadian trends are even more dramatic: the participation rate in the labour force for Canada in the 55-64 year age group plummeted from 61.4 percent in 1990 to 48.6 percent in 1991 (July Data, Cat. 71-220). Therefore, the majority of the 55-plus age group is in a retirement or semi-retirement mode, although it is noted that the sharp national decline is likely a function of the nation-wide recession during this period.

For analytical purposes, the above observations lead to the breakdown of age cohorts of the elderly. This classification (identical to Statistics Canada's age cohorts) is obviously judgemental but does reflect natural aging of the body and inevitable loss of functional capacities. Many exceptions occur, depending on one's own individual health, heredity, and so on.

Age Cohort	Rationale
55-64	Empty Nesters, Physically Active, Very Mobile (Travel)
65-74	Full Pensionable Benefits, Moderately Active, High Mobility
75-plus	Full Benefits, Minimal Physical Activity, Average to Low Mobility

¹ The traditional definition of 65+ is used in previous Prospect reports on population. The report's usage of seniors refers to this traditional definition.

² Source: Statistics Canada, Cat. 93-111, 1991 Data from Cat. 71-001, July Data.

Socio-Economic Characteristics of the Elderly

An assessment of socio-economic characteristics of the elderly is invaluable to land-use planning in that such profiles help to determine such variables as housing consumption, recreational/leisure activities, retail spending, and so on.

The fact that "people over 50 now control about 55% of all discretionary spending and 75% of all personal assets in Canada", (Financial Post, September 12, 1990) appears to be borne out in a review of pertinent statistics. Table One reveals that family units with the head of the unit in the elderly age groups out-perform sample norms for all age groups combined.

TABLE ONE Percent Distribution of Family Units* among Wealth Groups, by Selected Age Groups, Canada, 1984			
Wealth Groups	55-64	65 and over	All Age Groups
0-\$49,999	33.7	46.6	55.7
\$50,000-99,999	24.4	25.8	19.9
\$100,000-199,999	23.3	17.6	14.7
\$200,000 and over	18.6	9.9	9.5
Totals ^b	100.0	100.0	100.0

Source: Statistics Canada, *The Distribution of Wealth in Canada*, Table 5, p. 32, 1984, Cat.#13-580, Occasional.

* family unit is used to designate, collectively, unattached individuals and families with two or more members.

^b totals do not add to 100% due to rounding but are reported this way in the original source.

Further evidence of the elderly's strong financial stature is displayed in Table Two below. The proportion of families with heads aged 65 or over having mortgage-free homes (91.7%) is almost double the sample average of 51.4%. While the average wealth¹ positions of family units with older heads are also well above norms, these figures would be now understated, given the publication date (1984) and the surge in home values in such areas as Ontario and British Columbia since 1984.

¹ Defined as "the difference between its total assets and total indebtedness" (Source: Statistics Canada).

TABLE TWO Wealth Characteristics of Family Units* by Selected Age Groups, Canada, 1984			
Wealth Characteristics	55-64	65 and over	All Age Groups
Average Wealth (\$)	136,904	93,468	85,344
Average Income (1983 \$)	32,097	17,697	29,113
Proportion of Family Units Owning Home (%)	74.2	61.2	58.5
Proportion of Family Units Owning Home without Mortgage (%)	71.5	91.7	51.4

Source: Statistics Canada, *The Distribution of Wealth in Canada*, Table 5, p.32, 1984, Cat.#13-580, Occasional.

* family unit is used to designate, collectively, unattached individuals and families with two or more members.

Not only do the elderly age groups differ markedly from Canadian norms with respect to overall wealth positions, but the breakdown by asset item differs as well. Below is a sampling of some major categories:

TABLE THREE Percent Composition of Wealth of Family Units by Selected Age Groups, Canada, 1984			
Asset/Debt Item (Selected Variable)	55-64	65 and over	All Age Groups
Deposits	11.6	19.9	10.0
Other Liquid Assets	4.0	6.5	3.3
Other Financial Assets	11.0	9.0	8.7
Home Market Value	35.2	26.6	35.0
Other Equity Holdings	38.2	38.0	43.0
Total Assets	100.0	100.0	100.0
Total Debt (as % of Total Assets)	5.0	1.5	12.5
Total Wealth	95.0	98.5	87.5

Source: Statistics Canada, *The Distribution of Wealth in Canada*, Cat. #13-580 Occasional, 1984, Table 26, p.70.

Because elderly age groups, on average, are virtually debt-free compared to the sample norm of 12.5 percent for all age groups, both liquid and other financial assets are well above sample averages. For example, people aged 65 or over have 26.4% of their assets in liquid form (cash, CSB's, other deposits), double the sample average of 13.3%. These readily available assets allow for a comfortable life-style in terms of housing options and recreational/ leisure pursuits. To the extent that this study can equally apply to elderly in the Calgary region, the elderly age groups have, on balance, above-average assets in both financial and equity terms.

The most current personal income data by selected age groups for the Calgary Census Metropolitan Area is displayed below:

TABLE FOUR Income Groups by Selected Age Groups (%) Calgary CMA, 1986				
Income Group	55-64	65-74	75 and over	All Age Groups
Without Income	12.0	4.0	2.0	9.0
Under \$10,000	26.0	41.0	56.0	30.0
\$10,000-\$19,000	19.0	30.0	28.0	22.0
\$20,000-\$34,999	22.0	15.0	9.0	23.0
\$35,000 and over	21.0	10.0	5.0	16.0
Total	100.0	100.0	100.0	100.0

Source: Statistics Canada, 1986, Cat. #94-128.

The above average percent rate of the 55-64 year age group without income (compared to the overall average of 9.0 percent) is indicative of early retirement without private pension plans or unemployables in this category. Ironically, it is this age group that is well-represented at the higher end of the scale, reflecting people who have reached pinnacles in their career.

Given that the poverty line established by Statistics Canada for a single person is \$14,000 per annum, the fact that 41 percent of the 65-74 year age group are in the under-\$10,000 income category is indicative of the need for government support. Various government support programs already supplement seniors' net incomes, helping stem concerns of poverty.

Over one-fifth (21%) of the 55-64 age group earns \$35,000 or more, compared to only 16 percent for all income earners. The modest income levels of the post-65 age groups are obviously linked to termination of employment, yet many of these individuals are asset-rich, as discussed previously. Nonetheless, the rapid decline in the \$35,000 and over income category (from 21 % to 5%) among the three age groups is noted.

Population Trends for the Elderly in the Calgary Region

Although the Calgary region has a relatively youthful population in comparison to Canadian norms, the local impact of the aging population will be no less felt in future. The total number of persons aged 55 or over will have grown from 82,135 in 1981 to 115,871 in 1991, a 41.1 percent increase, almost double the overall increase of 22.4 percent. The highest percent increase will have occurred in the 65-74 age group with a 48.7% increase since 1981. In the process, the elderly's percent share of the population will have risen from 12.5 percent in 1981 to 14.4 percent in 1991.

Breakdowns for elderly age groups since 1981 are summarized below:

TABLE FIVE Population in Elderly Age Groups					
Year	55-64	65-74	75 and over	Total	% of Total Population
1981	42,160	24,750	15,225	82,135	12.5
1991	57,512	36,796	21,563	115,871	14.4

Sources: Statistics Canada, CRPC Prospect '89.

These age groups will continue to outpace overall population growth. Based on a population projection scenario of constant fertility and average migration for the Calgary Region¹, the outlook by selected age groups in this segment of the population is as follows:

¹ CRPC, Prospect '89, Population Report 1989, July, 1989.

TABLE SIX Projected Population, Elderly Age Groups, Calgary Region					
	Age Group			Sub-Total	% of Total Population
	55-64	65-74	75 and over		
1991	57,512	36,796	21,563	115,871	14.4
% Increase	32.7	35.3	46.1	36.0	22.7
2001	76,294	49,771	31,513	157,578	15.9
% Increase	78.2	32.6	35.6	55.3	17.8
2011	135,940	65,979	42,718	244,637	21.0

Source: CRPC Prospect 89: Population Report 1989

The first wave of the "baby boom" will be able to retire in 2001 at age 55 under early retirement options. The fact that waves of early retirement groups will materialize within ten years counters general observations that greying of the population is in fact 20 years away.¹

Under a scenario of constant fertility and average migration, the projected breakdowns by age group by geographic categories in the Region are as shown in Table Seven.

¹ *Globe and Mail, Report on Business Magazine, November 1990, p.84.*

TABLE SEVEN Projected Population, Elderly Age Groups by Geographic Area, Calgary Region, 2001-2011					
		Rural Areas	City of Calgary	Other Urban	Total Region
55-64	1991	3,694	51,149	2,669	57,512
	2001	4,791	66,134	5,369	76,294
	2011	5,479	117,666	12,795	135,940
65-74	1991	1,904	32,883	2,009	36,796
	2001	2,852	44,144	2,805	49,771
	2011	4,111	57,063	4,803	65,979
75 and over	1991	815	19,061	1,687	21,563
	2001	1,544	27,956	2,013	31,513
	2011	2,572	37,729	2,417	42,718
Total Region	1991	6,413	*103,093	6,365	115,871
	2001	9,187	138,204	10,187	157,578
	2011	12,162	212,458	20,017	244,637

Source: CRPC, Population Report '89, May, 1989. This report provides detailed forecasts for many municipalities in the Calgary Region.

** For consistency, projection for 1991 is used. Actual 1991 figure is 101,164.*

While the overall growth potential in the region for these age groups is significant, the rural areas will lose some share of the region's total (down from 5.8% in 2001 to 5% in 2011) and other urban areas will rise from 6.5% market share in 2001 to 8.2% in 2011. Under this scenario, the City of Calgary will retain its prominent position.

Municipal breakdowns of projected population growth in the Region are displayed in Table Eight. Rural areas will have higher growth rates in the 55+ cohort (48%) than urban areas (35%) by 2001, but urban areas beyond 2001 will have higher growth rates. Municipalities expected to have above-average growth in this age group to 2001 are Airdrie and Okotoks.

TABLE EIGHT Population Projections, Elderly, Calgary Region							
	Pop. 1991	Pop. 2001	Change Actual 1991-2001	Change % 1991-2001	Pop. 2011	Change Actual 2001-2011	Change % 2001- 2011
A. URBAN AREAS							
Airdrie	931	1,653	722	77.5	4,356	2,703	163.5
Calgary	101,164	138,204	37,040	36.6	212,458	74,254	53.7
Canmore	792	848	56	7.1	1,572	724	85.4
Cochrane	646	799	153	23.7	1,705	906	113.4
High River ^a	1,366	1,223	-143	-10.5	1,739	516	42.2
Okotoks	527	971	444	84.2	2,169	1,198	123.4
Strathmore	707	757	50	7.0	1,282	525	69.3
Other Areas	3,516	3,936	420	11.9	7,194	3,258	82.8
Sub-Total	109,649	148,391	38,742	35.3	232,475	84,084	56.7
B. RURAL AREAS							
Bighorn MD	266	287	21	7.9	358	71	24.7
Foothills MD	1,855	2,844	989	53.3	3,473	629	22.1
Rocky View MD	3,211	4,804	1,593	49.6	6,635	1,831	38.1
Wheatland CO	890	1,252	362	40.7	1,696	444	35.5
Sub-Total	6,222	9,187	2,965	47.6	12,162	2,975	32.4
TOTALS	115,871	157,578	41,707	35.9	244,637	87,059	55.2

Source: 1991 Data from CRPC Census, estimates only for Calgary and other urban areas. Projections derived from Prospect '89, Population Report 1989, Appendix: Municipal Projections, CRPC, May 1989. Values based on average migration scenario.

^a High River's unexpected high growth for the 1991 census resulted in imbalances with the 1989 projection, with new estimates to be available in 1992.

Beyond 2001, relatively strong growth rates are envisaged for Airdrie, Canmore, Cochrane, and Okotoks, with Rocky View M.D. expected to have the highest growth rate among the four rural municipalities.

As impressive as the above potential growth statistics are, these figures may even be underestimated due to the projection's assumed mean life expectancies of 73.1 for males and 79.0 for females to 2011. Major strides in longevity have occurred in recent years in Alberta as a result of medical and health-related advances and

this is expected to continue. Comparative Alberta life expectancies by sex, both historical and projected, are provided below:

TABLE NINE Average Life Expectancy, Alberta			
Year	Male	Female	Difference
1961	69.57	75.55	5.98
1971	70.44	77.38	6.94
1981	71.98	79.09	7.11
1991	74.40	81.10	6.70
2001	76.10	82.20	6.10
2011	77.20	83.00	5.80

Source: Alberta Senior Citizens Secretariat,
Older Albertans, 1988, June 1989, p.13.

Not only will life expectancies increase, but the gap between males and females will narrow as well.

Of keen interest to policy planners concerning the elderly are their migratory characteristics, since freedom from work obligations can induce a move to a retirement residence. There are two commonly held perceptions concerning elderly migratory habits in Alberta, namely:

1. Once freed of work obligations, the elderly tend to out-migrate from Alberta, almost exclusively to British Columbia (as well as U.S. sun spots) for reasons of climate and scenery¹. Moving for climate reasons may be linked to the fact that increasing age brings on declining energy reserves. The elderly also typically enjoy gardening: Calgary's frost-free period of 104 days compares with Victoria's 284-day period (*Farmer's Almanac*), a substantial difference.
2. Alberta is not regarded, also for reasons of climate, as a locale to which retirees and/or empty-nesters settle.

The following migration data² challenges these perceptions.

¹ G. Buschhaus, *Re/Max Realty Parksville, B.C., Calgary Herald*, August 31, 1991.

² In the absence of data below the Provincial level and to the extent that the Calgary region's population constitutes 31 percent of the Alberta population, these statistics should be equally valid for the region.

While out-migration has in fact increased by 25.9% since 1981-82, the raw numbers are small and belie the perception of out-migration in this age group. The 4,230 out-migrants represent only one percent of the population aged 55 or over. It has been suggested that migration to B.C. is hampered by the fact that elderly clients are unable to sell their homes in Alberta¹.

TABLE TEN Migration Flows of Elderly, Alberta, Selected Years			
Years	Migration Flows		
	In	Out	Difference
1981-82	3,702	3,360	+342
1985-86	4,576	4,552	+24
1989-90	4,526	4,230	+296

Source: Statistics Canada, Cat. 91-210

At the same time, in-migration in this age group over the past decade has in fact been higher than out-migration, posting net increases. Reasons given for this increase can be a combination of any of the following, such as family; drier, sunny climate (2,200 hours of annual sunshine in Calgary region) for those with arthritic problems; the fact that "in Alberta, the provincial government does not levy any inheritance taxes"²; the wide variety of Provincial programs for seniors; lower house prices than Ontario or British Columbia, and so on.

What has occurred in the past may not necessarily occur in the future. It is conceivable that the "baby boom" generation may actively pursue retirement outside Alberta, which would have major implications for land-use planning, and for population projections and the economy in general. Such out-migration trends are envisaged in other parts of Canada³.

An April 1990 Gallup Poll sponsored by Investors Group Inc. revealed that 36.9 percent of Prairie respondents plan to retire elsewhere (destinations unknown)⁴, compared to the Canadian average of 32.5 percent. It is therefore conceivable that the "baby boom" generation in this Region may largely retire elsewhere. In addition, today's small family sizes suggest family reasons for staying in the Region are less valid than for current or previous generations of elderly.

Given the above observations, policy-makers will need to heed the wishes of the elderly market, if not seek ways and means of cossetting them. With the first wave of baby-boomers being eligible for retirement within ten years, careful monitoring of this age group's migration patterns and their subsequent impacts will be paramount.

¹ *Calgary Herald*, "Nanaimo Popular with Albertans", August 3, 1991.

² D. Roberts in, *Law Now*, February, 1989, p.14, .

³ M. McNeill, "Planning for Retirement", *Winnipeg Free Press*, April 19, 1991.

⁴ *Financial Post*, July 6, 1990.

Recreational and Leisure Activities of the Elderly

It has been often said that what used to be considered old is now middle age and this observation is mirrored in changing recreational and leisure activities of seniors. The stereotype of the senior member of society leading a sedentary life has undergone major changes in recent years. Both the increase in physical activity and the nature of physical activity among senior age groups will help shape land-use planning for recreation priorities in the Calgary region.

A Calgary survey of seniors' lifestyles, conducted in the Spring of 1982, queried respondents on their leisure activities. Of a selection of 23 activities, the major activities having regular participation are cited in the table to the right. Of these ten activities, only two (walk, shop, etc., and gardening) are of the outdoor recreation variety.

While this table reflects stereotypical seniors' leisure behaviour, it is noted that participation rates for outdoor recreation have increased in this age group for virtually all categories, as noted on the following page.

TABLE ELEVEN
Regular Participation in Leisure Activities,
Seniors, 65 and Over, Calgary

Activity	Percent
Listen to Radio or Watch T.V.	90.3
Telephone with Friends or Family	78.8
Visit Friends or Neighbours	58.6
Reading or Writing	58.2
Walk, Shop, Drive or Bike Riding	55.8
Handiwork Hobbies	33.0
Watching Sports Events	16.4
Informal Social Groups	16.3
Gardening	14.9

Source: City of Calgary Social Services Department, A Profile of the Elderly in Calgary, May 1983, Table 24.

Coupled with population growth in the senior age groups, participation rates have not only increased, but since 1965, seniors have also taken up activities not recorded in 1965, such as bicycling, horseback riding, canoeing, sailing, and skiing.

Improved longevity resulting from medical advances and renewed societal concerns over diet and fitness in recent years is being expressed in more active life-styles and senior age groups are no exception. A recent survey of retailers for sporting equipment trends in Canada revealed the three top sporting activities - mountain biking, golf, and walking - are driven not by the youth market, but by "the middle-aged and older market"¹. This shift from the 1970s, when youth drove the market, suggests high recreational activity levels since the above survey of seniors in the early 1980s. Notwithstanding the fact that physical abilities are associated with age, "the participation of older people in many recreational activities has increased, whereas participation for younger people has declined"².

Indeed, the Alberta Senior Citizens Sport and Recreation Association (based in Calgary) reports that membership in its alpine ski club will have soared from 12 in 1990/91 to 800 for the 1991/92 ski season³. While such winter outdoor activities may be the exception rather than the norm, other winter activities among seniors such as ice and floor curling, cross-country skiing, and five-pin bowling help take the edge off the winter season, a generally dormant period for recreation. Still others opt for southern climates, hence the "snowbird" reputation; seniors account

TABLE TWELVE
Outdoor Recreation Activity,
Participation Rate (%), 65 and Over, Canada

Activity	1965	1982
A. RECREATION AND SPORTS		
Golfing	1	2
Boating	6	8
B. WATER BASED		
Swimming	6	11
C. NATURAL ENVIRONMENT		
Bird Watching	5	11
Camping	2	5
Fishing	12	16
Hiking	1	4
Hunting	2	5
Pleasure Walking	31	41
D. GENERAL		
Attend Concerts	6	12
Attend Sports	11	13
Picnicking	32	27
Pleasure Driving	36	32
Sightseeing	30	28

Source: D. Foot, "Age of Outdoor Recreation in Canada", *Recreation Canada*, December 1990. Data for 55-64 age group not published. The CRPC Report entitled "Recreation Trends in the Calgary Region, 1991" addresses detailed recreation trends issues.

¹ *The Financial Post Magazine*, "Pumping Irony", July/August 1991, p.32.

² D. Foot, "The Age of Outdoor Recreation in Canada", *Recreation Canada*, December 1990, p.16.

³ R. Becket, Interview, August 19, 1991.

for twelve percent of trips to the U.S., but account for only seven percent of the population¹.

In the absence of both current and specific data for the 55-64 age group, it would appear that a good number are still participating in active sports, but the "events are tailored to the capabilities of the participants"². Examples would be doubles in tennis, moderate walks and hikes and golfing. An anticipated 85 percent increase in the number of holes of golf in the next few years in the Calgary region³ is likely a function of increasing numbers of people in these age groups, as well as the general aging of the population. For 1992 alone, an expected seven new golf courses in the Calgary Region will open⁴, strong evidence of an aging population re-shaping land uses. At an average of 160 acres per course, this would yield a transition of over 1,000 acres from urban reserve and/or agriculture land in one year alone.

In conclusion, the wide variety of outdoor recreation activities and changing types of preferred activities can confound both municipalities and developers wishing to cater to this segment of the market. Keeping abreast of seniors' wishes and lifestyles will reap benefits as many agencies, both municipality and developer alike, attempt to capture and nurture this important market.

¹ *Calgary Herald*, "Seniors not all poverty stricken", May 13, 1991.

² *Financial Post Magazine*, July/August 1991, p.32.

³ *CRPC, Prospect 1990: Tourism in the Next Decade*, June 1990, p.9.

⁴ *Calgary Herald*, September 18, 1991.

Implications for Planning: The Impact of the Elderly on Housing

One of the most significant impacts of the impending changes in numbers and wealth of the elderly discussed in this report will occur in the field of housing. Housing is a major consumer of land in urban areas and a major source of revenue¹ and expenditure for all municipalities. From the planning point of view this will be a continuing policy issue of great concern. This report therefore focuses on the housing issue when discussing implications for planning.

With the elderly expected to account for one-fifth of the regional population in future (see Table Six), their needs are also of vital interest to policy-makers, developers, realtors, marketers and others catering to these age groups. Brief mention is made of some implications in areas other than housing at the conclusion of the report.

The elderly, of course, may change housing situations for a number of reasons. For many, retirement creates locational flexibility. Others move because their current accommodation is too large; they are overhoused². Those that do move have many choices available to them. A sampling of these is itemized in Appendix A. To comment on all of them is beyond the scope of this report, nevertheless, the major components of the future elderly housing market can be described under five broad headings. Three are subsets of home ownership while two are subsets of the renter segment of the market. The five headings referred to are: Owner Occupied Tenure; Retirement Communities; Home-Sharing; Renter Occupied Tenure, and Socially-Assisted Housing.

¹ See *Land Assessment Sales Ratio Study and Equalized Assessments, 1990*, Alberta Assessment Equalization Board, September, 1990.

² Dr. Albert Rose, in *Planning Your Retirement*, Grosvenor Press, date unknown.

Owner Occupied Tenure

Ownership propensities have increased for both the 55-64 and 65-plus age groups since 1976:

The rise in ownership rates for those 55-64 reflects the rising affluence of this age group and also would diminish demand for socially-assisted housing in relative terms. Such increases in ownership rates may be also traced to improved longevity and ability to maintain a home. Home owners in the area covered by the Calgary Real Estate Board (excludes Canmore, Crossfield, and Eastern extremities of CRPC planning area) have enjoyed resale price rises from \$26,031 in 1971 to \$128,559 by mid-1991, yielding an average increase in excess of \$100,000.

Ownership rates are expected to increase among the elderly age groups. The high ownership propensities of baby-boom age groups will continue as these groups age and will drive ownership propensities to even higher levels. It is unlikely that demand for rental accommodation for elderly age groups will increase proportionately. However, sheer population growth in itself should ensure some increased demand. As a result of the above discussion, ownership rates in these age groups are expected to change as shown in Table Fourteen.

TABLE THIRTEEN
% of Elderly Age Groups in Owner Occupied Housing, Canada, 1971-1986

Year	55-64	65-Plus	Total Elderly
1971	71.5	63.8	67.7
1976	71.6	60.4	66.0
1981	74.6	61.1	67.9
1986	75.4	63.6	69.5

Source: Statistics Canada, 1986, Cat. #94-128.

TABLE FOURTEEN
Projected % of Elderly Age Groups in Owner Occupied Housing, 1986-2011, Calgary Region

Year	55-64	65+
1986	75.4	63.6
1991 ^a	77.5	64.6
2001 ^b	82.5	69.6
2011 ^b	82.5	69.6

Sources:

- a) CRPC Census for 1991 (City of Calgary, based on trends since 1976).
- b) Clayton Research Associates Ltd., *Notes for a Presentation: Demographics and Housing Markets in the 1990's. Annual Conference of the Trust Companies Association of Canada (Ottawa, May 8, 1991), and City of Calgary Housing Profile and Household Projections 1989-2000, May 1989, Table 13.*

The over-all weighted average of propensity to own in the Calgary Region for the 55-plus age group will therefore change as follows:

Year	Owner Tenure
1991	71.0%
2001	75.8%
2011	76.7%

Retirement Communities

Along with wide spread golf course development in the Calgary Region, another manifestation of an aging population in recent years has been the development of "retirement communities". Quite often, both of these forces go hand-in-hand. These communities tend to be ground-oriented ownership units catering to the "50 and over" market¹ and average 52 units per development. At present, there are 1,145 units on the market and under development in the Region, broken down as follows:

TABLE FIFTEEN Dwelling Units in Retirement Communities, by Municipal Category, Calgary Region, 1991		
	Number	Percent
City of Calgary	846	73.9
Other Urban Areas	159	13.9
Rural Areas	140	12.2
Total/Percent	1,145	100.0

Source: Interview with D. Leicht, Lifestyle Real Estate, Aug. 7, 1991.
Phone interview with Statesman Homes, Aug. 9, 1991.

Current market penetration is small: only about one percent of the Region's elderly age groups dwell in retirement communities. Growth should accelerate within ten years due to waves of early retirees from the baby boom market.

While the City of Calgary holds 89.6 percent of the Region's population, it is under-represented in the above inventory. This finding is not surprising, for people in these age brackets are desirous of a more relaxed life-style, yet wish to remain close to family. As one expert has recently observed, "people start thinking about a house in the country, on the lake, or a smaller retirement home outside the city"².

¹ Not all buyers are "50 and over", depending on market conditions.

² Gaylord Lindal, President, Viceroy Homes, in *Financial Post*, October 14, 1991.

As the City of Calgary approaches one million population and (presumably) becomes physically larger, the appeal for quieter areas for empty-nesters will rise commensurately. Given these observations, the following scenario for shifts in market share is a reasonable one:

TABLE SIXTEEN Potential Shift in Percent Market Share for Retirement Communities, Calgary Region			
Area	1991	2001	2011
City of Calgary	73.9	70.0	65.0
Other Urban Areas	13.9	17.0	20.0
Rural Areas	12.2	13.0	15.0
Percent	100.0	100.0	100.0

This scenario combined with projected population growth would result in the following potential new development of retirement communities in the region:

TABLE SEVENTEEN Potential Number of Units, Retirement Communities, Calgary Region			
Area	1991	2001	2011
City of Calgary	846	2,205	4,764
Other Urban Areas	159	411	1,467
Rural Areas	140	535	1,107
Unit Total ^a	1,145	3,151	7,338

^a Assuming market share increasing to 2% in 2001, rising to 3.0% in 2011.

The relative growth potential is of sufficient scope to create substantive changes in land-use zoning throughout the Region. In particular, activity in the areas surrounding Calgary may account for a major portion of over-all new residential development¹, depending on each area's appeal in attracting this growing segment of the market.

¹ Some municipalities in the region such as the M.D. of Foothills and High River have major portions of their new activity in this market sector.

Home Sharing

This housing option has high growth potential because of demographic trends, potential social benefits and economic efficiency, and reduced need for government assistance. The concept is simple: to share a home (owned or rented) among seniors (normally singles). Conducted on one's own initiative, home-sharing would almost always apply to single-detached housing, which, at 6.1 rooms per dwelling, generally offers the most spacious quarters of all dwelling types. This concept is equally workable for townhouses and apartments having two or more bedrooms.

Although only five percent of seniors opt for this housing mode in Calgary¹, the potential market is much greater: 28 percent of seniors are living alone².

Of approximately 115,871 elderly in the Calgary region (including the 55-64 age group), 32,443 are likely living alone; of these, 21,410 would likely own while 11,033 would rent.

With the vast majority of owners residing in the single-detached category, the number of elderly living alone in single-detached units is very high. At current tenure propensities, the number of owner elderly living alone would be approximately 45,000 by 2011.

Loss of privacy is a major deterrent to this housing option but this drawback is also its greatest asset. Loneliness is a major problem among elderly singles and home-sharing combats this problem by definition. The value of this social aspect will increase in future, as demographics dictate fewer family support systems compared to previous generations. Life-style considerations also play an important part: the stereotypical "snowbird" does not inhabit the dwelling unit for much of the year, making home-sharing a viable and practical option. The economics of rising upkeep and maintenance costs also lead to home-sharing as a viable option. Finally, through increased home-sharing, the need could be lessened for a host of government assistance programs³, many of which promote staying in one's home (*Property Tax Reduction Benefits, Home Adoption Program, Senior Citizen Renter Assistance Program, etc.*).

Not all would be in favour of home-sharing, yet it is an idea whose time has come. Driven by demographics, life-styles, costs of home maintenance and government deficits, home-sharing is bound to increase its share of the market.

¹ City of Calgary Social Services, *A Profile of the Elderly in Calgary*, May 1983.

² Statistics Canada, 1986 Census.

³ There are at present 59 programs exclusively available to Alberta's seniors (age 65-plus), up from 27 in 1980 (Source: Alberta Seniors Advisory Council, *Annual Reports*.)

Renter-Occupied Tenure

Rental housing for elderly age groups will attract a declining market share over time as high ownership rates of the large baby-boom market will be carried into the future. Furthermore, the expectation that "Canada's baby boomers could inherit up to \$1 trillion, and much of it will be headed for the housing market"¹ will deflate demand for rental units among elderly age groups in future.

Socially-Assisted Housing

Both Federal and Provincial governments² are the providers of housing to those seniors in need of socially-assisted housing. Generally restricted to those age 65 and over, these units (apartment or townhouse) under various housing programs are normally located in urban areas. Due to utility servicing problems and need for basic and personal services, rural locations are a rarity. The present inventory in the Calgary region is shown in Table Eighteen.

¹ G. MacDonald, "Parents' wealth could solve baby boomers' home crisis" *Financial Post*, September 12, 1990, p.14; "Rich Inheritance", by A. Walmsley, in *Maclean's*, November 5, 1990, pp.54-55.

² The name Alberta Mortgage and Housing Corporation (AMHC) was replaced with their new name of Municipal Affairs, Housing Division as of January 1, 1991.

TABLE EIGHTEEN
Inventory of Social Housing Units for Seniors
(65 and over), Calgary Region, 1991

Location	Lodge Units*	Socially-Assisted Units	Totals
Airdrie	50	20	70
Beiseker	-	8	8
Black Diamond	44	40	84
Calgary	1,039	5,070	6,109
Canmore	54	28	82
Cochrane	99	22	121
Crossfield	42	24	66
Gleichen	-	6	6
High River	56	50	106
Okotoks	30	24	54
Standard	-	4	4
Strathmore	56	44	100
Totals	1,470	5,340	6,810

Source: Alberta Municipal Affairs, August 22, 1991.

* Definition, see Appendix A.

Expressed in other terms, 11.7 percent of the Region's seniors (aged 65 and over) are housed under various government programs.

Strong demographic demand would clearly call for additional government sponsored development. The initiative for additional development normally emanates from a municipality and/or a sponsoring group and these requests are then evaluated by senior governments. The incremental rate of additional new developments may be constrained on at least two fronts:

- i) Rising government deficits¹ will make the quest for additional socially-assisted housing an uphill battle.

¹ Net Federal Government Debt has soared from \$4.84 billion in 1980 to \$32.97 billion in 1990. Source: Department of Finance, Canada, *Quarterly Economic Review*, June 1991, Ref. Table 53.

- ii) There are widespread concerns and observations that current and future elderly¹ are reasonably well off and this would impact the need for government-assisted housing.

In summary, growth of new socially-assisted housing for the elderly over the next twenty years will not keep pace with expected population increases for this age group.

The Future of Housing for the Elderly

The above outlooks on the five housing life-styles envisioned for the elderly age groups by 2011 are illustrated in the following trend estimates:

TABLE NINETEEN Projected Housing Life-Style (%) of Elderly Age Groups, Calgary Region			
	1991	2001	2011
Owner-Occupied	65.0	67	66
Retirement	1.0 ^a	2	3
Home Sharing	5.0 ^b	7	8
Sub-Total ^c	71.0	76	77
Renter Occupied	17.3	14	14
Socially Assisted	11.7 ^d	10	9
Sub-Total ^c	29.0	24	23
Total	100.0	100	100

^a this table assumes elderly to be 55+ while retirement community definition on p.12 refers to the 50+ group (p.22), one percent is therefore an estimate.

^b City of Calgary *A Profile of the Elderly in Calgary* (Calgary, 1983).

^c Owner/renter total estimates and distribution based on Clayton Research Associates Ltd., *Notes for a Presentation: Demographics and Housing Markets in the 1990's*. Annual Conference of the Trust Companies Association of Canada. (Ottawa, May 8, 1991)

^d Alberta Municipal Affairs, personal communications, August 22, 1991.

Both renter categories above will likely show declines in their share of the market to the benefit of the three ownership categories. Based on the anticipated breakdown of housing life-styles and projected population growth

¹ *Financial Post*, "Parents' wealth could solve baby boomers' home crisis", September 12, 1990.

(Table 8), the Region will attain the following projected population by housing life-style:

TABLE TWENTY Projected Population by Housing Life-Style for Elderly Age Groups, Calgary Region			
Housing Life-Style	1991	2001	2011
Owner-Occupied	75,342	105,579	161,461
Retirement Community	1,158	3,151	7,339
Home-Sharing	5,790	11,029	19,571
Renter-Occupied Tenure	20,033	22,062	34,249
Socially-Assisted Housing	13,548	15,757	22,017
Total	115,871	157,578	244,637

By 2011, it is apparent that both the volume and composition of varying housing life-styles for the Calgary Region's quarter-million elderly will change dramatically.

Other Implications for Planning and Municipal Government

The anticipated sharp rise in the number of elderly will have a variety of other implications for both planning and municipal government. Expected to comprise one-fifth of the Calgary Region's population in future, the elderly's decision of whether or not to remain in the area upon retirement is of prime importance to both land-use planning and municipal government. Trends to early retirement and improved longevity all have direct implications.

Improved longevity has occurred partly due to medical advances. To the extent that seniors use a proportion of active treatment hospital patient days five times greater than their population¹, the implication for health care requirements in future are enormous. Similar trends can be expected for chronic care citizens.

Expected rising affluence of the elderly in comparison to previous generations may place high demands on municipal infrastructure and land-use planning systems. One manifestation of this rising affluence is the prospect of over 45,000 elderly singles living alone in ownership units (usually single-detached homes) in the Calgary region by the year 2011. Such low densities against the municipal costs of servicing must be recognized and reconciled.

Another result of rising affluence of the elderly will be seen in recreation and leisure activity. The June 1991 *Prospect* report on Recreation noted that general aging of the population will result in more passive and less frequent recreational activities in future. Despite the change in activity, the report also notes that time spent on physical recreation does not decline sharply in one's later years. This trend, along with the willingness of the elderly to undertake varied recreational activities as noted in this report, indicates that their presence in recreation and leisure activity will be a formidable one.

As the population of the elderly increases, municipalities may have to evaluate school and property tax programs now in effect.

It also seems likely that modifications in public transportation systems will be needed. Demand for small scale transit directly related to services used by the elderly may increase; perhaps significant expansions of present "dial-a-bus" or "handi-bus" services will become necessary. Transportation service will be a key

¹ *Alberta Senior Citizen Secretariat, Older Albertans 1988, June, 1989, p.55.*

issue as the population of the elderly grows; without a good transportation system, many will have difficulty accessing other services they need.

With the first wave of the baby boom age group expecting to take early retirement within ten years, planning for the future is not premature. The future will be different and the changing elderly are a symbol of that different future.

Appendix A

Housing Options for the Elderly

A sampling of the various housing options for elderly age groups is as follows:

Housing Option	Comment
1. Owner Occupied	Accounting for the vast majority of empty-nester and elderly age groups, generally in single-detached homes.
2. Renter Tenure	Most common dwelling type for elderly age groups is apartment form.
3. Retirement Communities	Catering to more affluent empty-nesters, these ground-oriented ownership units are for those aged 50 and over, usually oriented to some common activity such as golfing; there are 1,145 such units in the Calgary region.
4. Socially-Assisted Housing	New and/or existing geared-to-income units provided jointly between Provincial and Federal Governments. Detailed discussion located elsewhere in this report.
5. Garden Suite	These are mobile self-contained units normally placed on the property of dependents; its mobility permits relocation when no longer needed; most planning by-laws cannot accommodate, however, two residences on an R-1 lot.
6. Home-Sharing	This option permits "two or more individuals to remain in independent living while sharing expenses". Occurring naturally, it is feasible where housing/upkeep costs are high. Once again, local by-laws may be generally inflexible to accommodate this option.
7. Life Interest Lease	Piloted by the Saskatchewan Housing Corporation, a non-profit group develops and rents units but seniors purchase a financial interest in the development. These non-subsidized seniors recapture their investment when leaving the project.
8. Home Equity Conversion	Private financial institutions agree to take mortgage against the senior's property, and, in turn, provide owner with monthly income, has not been generally popular with seniors due to reluctance to take on debt.
9. Lodge Program	Unique to Alberta, this program provides lower income seniors with a bedsitting unit and common kitchen, dining and lounge facilities. On-site staff conduct cleaning, maintenance, and meal preparations. Average age at admission is 77.

Source: Prince Edward Island Department of Health and Social Services, *The Aging Impact Study*, February 1990. Items 5-8 above credit of this source.